

IN RE: JOHN W. CONROY, D.O.

AGREEMENT FOR PRETRIAL DIVERSION

You are reported to have committed one or more offenses against the United States, on or about September 2004 through December 2004, in violation of Title 21, United States Code, Section 841, in that you did knowingly distribute quantities of Oxycontin outside the bounds of normal professional practice.

Upon your accepting responsibility for your behavior and by your signature on this Agreement, it appears after an investigation of the offense and your background, the interest of the United States and the interest of justice will be served by placing you on a period of pretrial diversion.

On the authority of the Attorney General of the United States, and by Margaret M. Chiara, United States Attorney for the Western District of Michigan, prosecution in this District for this offense shall be deferred for the period of twelve (12) months from this date, provided you abide by the following conditions and the requirements of the program set out below.

Should you violate the conditions of this supervision, the United States Attorney may revoke or modify any conditions of this pretrial diversion program or change the period of supervision, which shall in no case exceed eighteen months. The United States Attorney may release you from supervision at any time. The United States Attorney may at any time within the period of your supervision initiate prosecution for the offense should you violate the conditions of this supervision and will furnish you with notice specifying the conditions of the program which you have violated.

If, upon completion of your period of supervision, notification is received from U.S. Probation to the effect that you complied with all the rules, regulations and conditions mentioned below, no prosecution for the offense set out on page one (1) of this Agreement will be instituted in this District, and the charges against you, if any, will be dismissed.

Neither this agreement nor any other document filed with the United States Attorney as a result of your participation in the Pretrial Diversion Program will be used against you, except for impeachment purposes, in connection with any prosecution for the above described offense.

Conditions of Pretrial Diversion

- (1) You shall not violate any law (federal, state, or local). You shall immediately contact your pretrial diversion supervisor if arrested and/or questioned by any law enforcement officer.
- (2) You shall continue to live in this judicial district unless granted prior authorization from the U.S. Probation and Pretrial Services Office.
- (4) You shall report to your program supervisor as directed and keep him/her informed of your whereabouts.
- (6) You shall voluntarily surrender your controlled substances privileges by signing form DEA-104.
- (7) You shall forfeit \$43,958.05, which represents the total paid by Medicaid for three beneficiaries who received Oxycontin in amounts substantially in excess of the maximum effective daily dosage and outside the bounds of normal professional practice. This amount shall be paid out of the proceeds of the sale of the former business office at 1405 W. State Street in Belding, Michigan. In consideration for

this forfeiture amount, the United States agrees not to seize and forfeit the entire property at 1405 W. State Street as a location which facilitated the illegal distribution of controlled substances

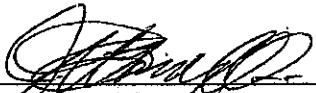
Speedy Trial Waiver

I assert and certify that I am aware of the fact that the Sixth Amendment to the Constitution of the United States provides that in all criminal prosecutions the accused shall enjoy the right to a speedy and public trial. I also am aware that Rule 48(b) of the Federal Rules of Criminal Procedure provides that the Court may dismiss an indictment, information, or complaint for unnecessary delay in presenting a charge to the Grand Jury, filing an information or in bringing a defendant to trial. I hereby request that the United States Attorney for the Western District of Michigan defer any prosecution of me for the violation of Title 21, United States Code, Section 841, for the period of twelve (12) months, and to induce her to defer such prosecution I agree and consent that any delay from the date of this Agreement to the date of the initiation of the prosecution, as provided for in the terms expressed herein, shall be deemed to be a necessary delay at my request and I waive any defense to such prosecution on the grounds that such delay operated to deny my rights under Rule 48(b) of the Federal Rules of Criminal Procedure and Sixth Amendment to the Constitution of the United States to a speedy trial or to bar the prosecution by reason of the running of the statute of limitations for a period of months which is the period of this Agreement.

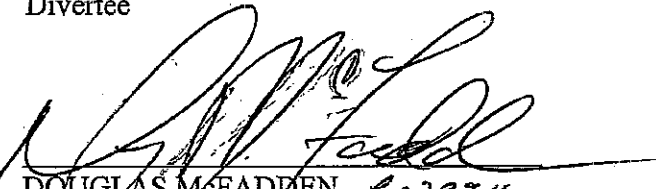
United States v. John W. Conroy, D.O.
1:06-MJ-335
Pretrial Diversion Agreement

I hereby state that the above has been read and explained to me. I understand the conditions of my pretrial diversion and agree that I will comply with them.

Dated: 12/5/06


JOHN W. CONROY, D.O.
Divertee

Dated: 12/4/06

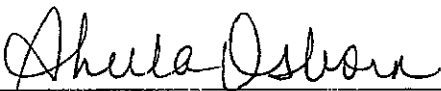

DOUGLAS MCFADDEN P-28710
Counsel for John W. Conroy, D.O.

MARGARET M. CHIARA
United States Attorney

Dated: 10/19/06


RAYMOND E. BECKERING III
Assistant United States Attorney

Dated: 12/19/06


Sheila Osborn
Pretrial Diversion
Coordinator or Program Supervisor

STATE OF MICHIGAN
DEPARTMENT OF COMMUNITY HEALTH
BUREAU OF HEALTH PROFESSIONS
BOARD OF OSTEOPATHIC MEDICINE & SURGERY
DISCIPLINARY SUBCOMMITTEE

In the Matter of

JOHN M CONROY, D.O.

Complaint No. 51-03-90930

CONSENT ORDER AND STIPULATION

AMENDED CONSENT ORDER

An administrative complaint was filed with the Disciplinary Subcommittee of the Board of Osteopathic Medicine & Surgery on July 28, 2005, charging John M. Conroy, D.O. (Respondent) with having violated sections 16221(a), (b)(i), (c)(iv) of the Public Health Code, 1978 PA 368, as amended, MCL 333.1101 *et seq.*

The parties have stipulated that the Disciplinary Subcommittee may enter this amended consent order. The Disciplinary Subcommittee has reviewed the stipulation contained in this document and agrees that the public interest is best served by resolution of the outstanding complaint. Therefore, the Disciplinary Subcommittee finds that the allegations of fact contained in the complaint are true and that Respondent has violated sections 16221(a), (b)(i) and (c)(iv) of the Public Health Code.

Accordingly, for these violations, IT IS ORDERED:

Respondent's license is LIMITED for a minimum period of twelve months commencing on the effective date of this order. Reduction of the limitation period shall occur only while Respondent is employed as an osteopathic physician. The details of the limitation are as follows:

- A. CONTROLLED SUBSTANCES. Respondent shall not prescribe any drug designated as a schedule 2 through 5 controlled substance under the Public Health Code or its counterpart in federal law.

Respondent is placed on PROBATION for a period of twelve months commencing on the effective date of this order. Reduction of the probationary period shall occur only while Respondent is employed as an osteopathic physician. Respondent shall be automatically discharged from probation at the end of the probationary period provided Respondent has complied with the terms of this order. The terms and conditions of the probation, which Respondent must complete within the period of probation, are as follows:

- A. MEETING WITH BOARD MEMBER. Respondent shall meet quarterly with Dr. Ann Marie Auburn, a Board member designated by the Chairperson of the Board to review Respondent's professional practice. The initial meeting shall occur at the end of the third month of probation, and subsequent meetings shall occur every third month thereafter until the period of probation ends. Within thirty days of the effective date of this order, Respondent shall contact the Sanction Monitoring Unit of the Bureau of Health Services, Department of Community Health, Bureau of Health Professions at (517) 373-4972. The Sanction Monitoring Unit shall provide Respondent with the name of and contact information for the designated Board member. Respondent shall be responsible for scheduling the time and place of the meetings with the Board member.
- B. RECORDS REVIEW. During the period of probation, the designated Board member shall review records of patients treated by Respondent as either outpatients or inpatients. This review may occur at the quarterly meetings described in the above paragraph.
- C. COMPLIANCE WITH THE PUBLIC HEALTH CODE. Respondent shall comply with all applicable provisions of the Public Health Code and rules promulgated under the Public Health Code.
- D. CONTINUING EDUCATION CREDITS. Respondent shall successfully complete 24 hours of continuing education credits in the area of pain management and 6 hours of continuing education credits in the area of documentation. These credit hours shall not count toward the number of credit hours required for license renewal. Respondent must seek and obtain

advance approval of the continuing education courses from the Chairperson of the Disciplinary Subcommittee or the Chairperson's designee. Respondent shall mail requests for approval of a course and proof of successful completion of a course to the Department at the address set forth below.

- E. REPORTING PROCEDURE. Unless otherwise provided above, all reports required by the terms of probation shall be filed on a quarterly basis, the first report to be filed at the end of the third month of probation, and subsequent reports every three months until Respondent is discharged from probation. In addition to receiving reports as required above, the Department or its authorized representative may periodically contact the reporting individuals or agencies to inquire of Respondent's progress. By accepting the terms of this consent order and stipulation, Respondent has authorized the release of all necessary records and information.

Any violation of the Public Health Code by Respondent during the period of probation shall be deemed a violation of probation and constitute grounds for further disciplinary action.

Reclassification of Respondent's limited license shall not be automatic, but Respondent may petition for reclassification of the limited license upon conclusion of the limitation period. In the event Respondent petitions for reclassification of the license, the petition shall be in accordance with section 16249 of the Public Health Code and 1996 AACCS, R 338.1636. Under these provisions, Respondent must demonstrate that he (1) will practice the profession safely and competently within the area of practice and under conditions stipulated by the Disciplinary Subcommittee, and (2) should be permitted in the public interest to so practice.

Respondent shall direct any communications to the Department that are required by the terms of this order, except the payment of fines, to: Sanction Monitoring Unit, Bureau of Health Professions, Department of Community Health, P.O. Box 30670, Lansing, Michigan 48909. Respondent shall mail any fine required by the terms of this order to: Sanction Monitoring,

Bureau of Health Professions, Department of Community Health, P.O. Box 30185, Lansing,
Michigan 48909.

Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this amended consent order.

Respondent shall be responsible for the timely compliance with the terms of this consent order, including the timely filing of any documentation, and the failure to comply within the time limitations provided will constitute a violation of this order.

If Respondent violates any term or condition set forth in this order, Respondent will be in violation of 1996 AACCS, R 338.1632, and section 16221(h) of the Public Health Code.

This order shall be effective on the date signed by the Chairperson of the Disciplinary Subcommittee or the Disciplinary Subcommittee's authorized representative, as set forth below.

Signed on March 10, 2006.

MICHIGAN BOARD OF OSTEOPATHIC
MEDICINE & SURGERY

By Melanie B. Burroughs
Chairperson, Disciplinary Subcommittee

STIPULATION

The parties stipulate as follows:

1. The facts alleged in the complaint are true and constitute a violation of the Public Health Code.

2. Respondent understands and intends that, by signing this stipulation, he is waiving the right under the Public Health Code, rules promulgated under the Public Health Code, and the Administrative Procedures Act of 1969, 1969 PA 306, as amended, MCL 24.201 *et seq*, to require the Department to prove the charges set forth in the complaint by presentation of evidence and legal authority, and to present a defense to the charges before the Disciplinary Subcommittee or its authorized representative. Should the Disciplinary Subcommittee reject the proposed amended consent order, the parties reserve the right to proceed to hearing.

3. The Disciplinary Subcommittee may enter the above amended consent order, which Board conferee Frank D. Winters, D.O. supports. The Board conferee, the Department's representative, or the undersigned Assistant Attorney General are free to discuss this matter with the Disciplinary Subcommittee in order to recommend acceptance of this resolution.

4. The Board conferee and the parties considered the following factors in reaching this agreement:

- A. Respondent has been practicing osteopathic medicine for 46 years and has no prior disciplinary actions against his medical license;
- B. Respondent's medical practice now consists primarily of managing patients with chronic non-malignant pain as opposed to providing family practice services on a regular basis. This change in Respondent's practice is due, in part, to the fact that the local hospital closed several years earlier and Respondent did not pursue privileges at any other facility.

- C. Many of Respondent's patients have no health insurance and have difficulty obtaining services from specialists or pain clinics; and
- D. Respondent prescribes many of his uninsured patients short acting opiates rather than long-acting opiates because short-acting opiates are available in generic form.

This amended consent order incorporates the conditions of a counteroffer made by the Disciplinary Subcommittee at its meeting held on February 2, 2006.

AGREED TO BY:

Michele M. Wagner-Gutkowski
Michele M. Wagner-Gutkowski(P44654)
Assistant Attorney General
Attorney for Complainant
Dated: 3-6-06

AGREED TO BY:

John M. Conroy
John M. Conroy, D.O.
Respondent
Dated: 3-1-06

State of Michigan

County of Washtenaw

On March 1, 2006, I observed John M. Conroy, D.O. sign this stipulation.

Thomas McConkey
Notary Public Washtenaw County
State of Michigan
My commission expires: 9-14-06

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